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March 3, 2004

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station Boston, MA 02110

Re: Cambridge Electric Light Company/Commonwealth Electric Company d/b/a NSTAR Electric, D.T.E. 02-80B, Response to Information Request

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter is the response of Cambridge Electric Light Company/Commonwealth Electric Company d/b/a NSTAR Electric (the "Companies") the Information Request set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,

Robert N. Werlin

Enclosures

cc: Caroline Bulger, Hearing Officer

Service List

Response to Information Request

Information Request DTE-1-1

Cambridge Electric Light Company Commonwealth Electric Company Department of Telecommunications and Energy D.T.E. 02-80B

Information Request: **DTE-1-1**

March 3, 2004

Person Responsible: Counsel

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Information Request DTE-1-1

Refer to Section 2.2(c) of the Settlement. In this section, the Companies and the Attorney General refer to the "full unmitigated cost" in relation to the class-action suit. Please explain what is meant by "unmitigated" in this context.

Response

Section 2.2(c) of the Settlement Agreement addresses adjustments made relating to the reclassifications of customers from Default Service to Standard Offer Service in accordance with the terms of a settlement in class action lawsuit. Dwyer, et al. v. NSTAR Electric & Gas Corporation, et al., Civil Action No. 01-1817-C (Suffolk Superior Court). For part of the period covered by the reclassifications, separate supplies and costs were incurred for customers of Default Service and Standard Offer Service. When customers were reclassified from one class of service to the other (and rebilled), NSTAR Electric's normal load-reconciliation process with the ISO automatically adjusted or "mitigated" supplier costs associated with the two different types of service, i.e., the ISO would reconcile supplier costs as if customers had been placed in the appropriate class. However, for some periods, the reconciliation of supplier costs did not occur prior to the account settlement process at the ISO, so supplies were purchased at the higher-priced Default Service cost. The cited phrase is meant to indicate that all such "unmitigated" costs (plus carrying charges) are being returned through the settlement adjustments.